

Broadcom Sued by United Healthcare Over Price Increases for CA Mainframe Software

United Healthcare Services Inc. (UHC) has filed a 54-page complaint in Minnesota federal court against Broadcom Inc. and its wholly owned subsidiary CA Inc. for breach of contract arising from Broadcom's threat to terminate UHC's access to mission-critical software and support services, unless UHC agrees to price increases and other conditions that UHC alleges Broadcom has no right to impose under the parties' contract. A copy of UHC's redacted complaint, which was filed under seal, is available [here](#).

CA was one of the biggest software companies in the world, and developed systems software running on mainframe computer systems (among other software) that allowed large organizations to store and process enormous amounts of data. Broadcom, a developer of semiconductor and infrastructure software products, acquired CA in 2018.

UHC alleges it has used various CA software and services for almost two decades and that the software is integrated into many different UHC systems that are necessary to operate its business. UHC alleges the CA software is so embedded into UHC's operations that transitioning to alternative mainframe software would take years. According to the complaint, UHC has the right to renew the software licenses with certain pricing protections, but rather than honor its contractual commitments, Broadcom has demanded that UHC pay hundreds of millions of dollars more for continued use of the CA software.

The complaint alleges Broadcom has also demanded from UHC price increases for VMware software, the cloud computing and virtualization software company that Broadcom acquired in 2023. UHC alleges Broadcom has



demanded that any renewal of licenses and services with respect to the CA and VMware software be bundled with other add-on software and services that UHC does not want or need.

While UHC complains of Broadcom's "bullying tactics" with respect to the VMware software renewal, for now, UHC's complaint seeks relief only with respect to the CA software renewal because UHC's access to the CA software expires in less than two weeks. UHC is asking the court for an injunction preventing Broadcom from cutting off UHC's access to the CA software on the April 18 renewal date, as well as monetary damages for Broadcom's alleged breach of contract.

Broadcom's renewal pricing tactics have been widely [reported](#) by media outlets. As Loeb previously reported, AT&T filed suit in August 2024 to prevent Broadcom from cutting off AT&T's access to Broadcom's VMware software and support services. That lawsuit, which contained allegations substantially similar to UHC's, resulted in a confidential settlement after a New York state court indicated its intention to issue a preliminary injunction blocking Broadcom from cutting off AT&T's access to the VMware software.

Attorney Advertising

The allegations in the Broadcom lawsuits are an important reminder for any software customer to carefully review their legacy contracts with vendors to confirm their renewal rights and pricing protections for upcoming contract renewals.

A hearing on UHC's request for a preliminary injunction has not yet been scheduled. Loeb is monitoring the case and will provide updates as they develop.

Related Professionals

Benjamin B. Kabak bkabak@loeb.com

Joshua E. Hollander jhollander@loeb.com

This is a publication of Loeb & Loeb and is intended to provide information on recent legal developments. This publication does not create or continue an attorney client relationship nor should it be construed as legal advice or an opinion on specific situations.

© 2025 Loeb & Loeb LLP. All rights reserved. 7965 REV1 040825